

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Application of Sprint Nextel Corporation)	
For Designation as an Eligible Telecommunications Carrier)	
Pursuant to the Commission's Lifeline Program for)	
Consumers Affected by Hurricane Katrina)	
)	
Lifeline and Link-Up)	WC Docket No. 03-109
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45

**APPLICATION OF SPRINT NEXTEL CORPORATION
FOR DESIGNATION AS A TEMPORARY ETC
TO PROVIDE KATRINA LIFELINE ASSISTANCE**

Sprint Nextel Corporation ("Sprint Nextel") hereby petitions the Commission for special designation as an Eligible Telecommunications Carrier ("ETC"), pursuant to the Commission's order ("*Katrina Order*") ^{1/} establishing a special Lifeline program for consumers affected by Hurricane Katrina. Sprint Nextel requests designation with respect to its wireless operations nationwide. Subject to the application terms specified herein, Sprint Nextel will provide supported services to qualifying consumers who, due to the hurricane's impact, "relocate within the three affected states, relocate to another state outside of the area, or return home after telephone service has been disconnected." *Id.*, ¶ 15.

Sprint Nextel notes that it has already made significant voluntary efforts to assist customers affected by Hurricane Katrina. The company has issued monthly service credits; waived overage charges; provided free long distance calling, roaming, and text messaging

^{1/} *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, FCC 05-178 (rel. Oct. 14, 2005) ("*Katrina Order*" or "*Order*").

service; and suspended collection activities, for customers in the hardest-hit areas. In addition, the company has assisted local, state, and federal emergency response personnel by providing over 6,000 wireless handsets with push-to-talk “walkie-talkie” capabilities. Sprint Nextel also distributed over 35,000 calling cards in Texas, Alabama, Mississippi and Louisiana. ^{2/} Sprint Nextel’s participation in the Katrina Lifeline Program is consistent with the company’s other contributions to hurricane relief efforts.

In this Application, Sprint Nextel submits a description of how it intends to offer service pursuant to a Katrina Lifeline Program, as required by the *Katrina Order*. *Katrina Order* ¶ 21. Although Sprint Nextel has already has received ETC designation in the states most directly affected by Hurricane Katrina – Louisiana, Mississippi, and Alabama – as well as in Florida, Texas, and 13 other states across the country, as well as Puerto Rico, it now seeks special ETC designation to provide a Katrina Lifeline offer throughout the United States. ^{3/} Moreover, Sprint Nextel sustained significant damage to its outside plant facilities and switching equipment as a result of Hurricane Katrina, and it advises that some of the high-cost support that the carrier receives pursuant to its pre-existing ETC designations may be used for disaster relief and restoration purposes as contemplated by the Katrina Order. To the extent necessary, Sprint

^{2/} See Sept. 8, 2005 letter from Robert S. Foosaner, Senior Vice President, Government Affairs, Sprint Nextel, to Monica Desai, Chief, Consumer & Government Affairs Bureau, and Catherine W. Seidel, Acting Chief, Wireless Telecommunications Bureau, in response to Public Notice, *Maintaining Wireless Service for Consumers Affected by Hurricane Katrina*, 20 FCC Rcd 14537 (WTB/CGB, rel. Sept. 7, 2005).

^{3/} In each of those states and territories, the FCC or the relevant state commission has determined that Sprint Nextel meets all the standard criteria for ETC designation under 47 U.S.C. § 214(e), 47 C.F.R. §§ 54.101-54.207, and other relevant federal and state rules and requirements. See, e.g., *Sprint Corp. Request [for] Authority for Designation as an Eligible Telecommunications Carrier Within the State of Louisiana, Pursuant to Section 214(e) of the Telecommunications Act of 1996*, Order No. U-27509 (La. PSC, July 22, 2004); *Federal-State Joint Board on Universal Service; Sprint Corp. Application for Designation as an Eligible Telecommunications Carrier in Alabama, Florida, Georgia, New York, North Carolina, Tennessee, and Virginia*, 19 FCC Rcd 22663 (WTB 2004).

Nextel certifies that it (1) is serving in the area affected by Hurricane Katrina, and (2) incurred substantial damage as a result of Hurricane Katrina. 4/ Attached to this Application is the Certification of Luisa L. Lancetti, Vice President, Government Affairs – Wireless Regulatory (Attachment A) regarding Sprint Nextel participation in the program.

1. The Number And Type Of Minutes That Sprint Nextel Plans To Offer.

a. New Customers. Under the Sprint Nextel Katrina Lifeline program, customers who have not previously subscribed to Sprint Nextel wireless service, want to receive a free cellphone, and are eligible, will receive, at no charge, a handset worth \$79.99 (described below) plus a \$60.00 prepaid service credit via the company's wholly-owned prepaid wireless provider, Boost Mobile. This includes a \$10.00 credit included in the box with a new Boost Mobile phone, plus a prepaid wireless card worth \$50.00. Customers may use this \$60.00 credit to purchase peak minutes (7:00 am through 9:00 pm Mondays through Fridays) at 20¢ per minute, and/or off-peak (night/weekend) minutes at 10¢ per minute. 5/ There will be no additional charge for domestic long distance although higher charges will apply to international calls. In addition, or in the alternative, customers can use their prepaid credit to purchase "Direct

4/ *Katrina Order*, ¶¶ 55-56; see attached Certification of Luisa L. Lancetti, Vice President, Government Affairs, Wireless Regulatory ¶¶ 4-5.

5/ Thus, if customers use their entire \$60.00 prepaid credit on peak minutes, they would obtain 300 minutes of calling time (300 minutes x 20¢ per minute = \$60.00). If they use their entire credit on off-peak minutes, they would get 600 minutes of calling time (600 minutes x 10¢ per minute = \$60.00). Of course, they could also use any combination in between. See *Katrina Order*, ¶¶ 11-12. Note that, while the *Katrina Order* requires that the free 300 minutes remain available through March 1, 2006, the prepaid credits provided under this plan will not expire until, at earliest, 90 days after the consumer activates the service. Consistent with the *Order*, ¶ 12, consumers have no obligation to purchase additional minutes when the \$60.00 prepaid credit is used up or expire, but they are welcome to do so if they wish.

Connect” service, in which they can use an unlimited amount of push-to-talk “walkie-talkie” type service all day at \$1.50 per day. 6/

b. *Pre-Existing Customers.* Some customers who qualify for the Katrina Lifeline Program may not wish to receive a cellphone at no charge because they already have a wireless handset compatible with Sprint Nextel’s network – *i.e.*, they have already subscribed to either a Sprint Nextel post-paid calling plan or prepaid service through Boost Mobile. *Katrina Order*, ¶ 22. These customers, if subscribed to a Sprint or Nextel post-paid plan, will receive 500 free minutes *per month* for four months (2000 minutes total) from the date of activation. The 500 minutes will not “roll-over” from month to month, but will expire at the end of each month. All other features and details will match the eligible customer’s existing plan. So, for example, if a customer has a “roaming included” package, the 500 additional minutes will be “roaming included minutes.” Existing Boost Mobile prepaid customers will receive additional prepaid calling credits worth \$130.00, which may be used in the manner described above.

2. *The Brand And Model Of The Handset To Be Provided.* Qualified new consumers will receive, at no charge, a Motorola i415 wireless phone. This handset uses iDEN technology, and enables consumers not only to place calls but also to utilize text and multi-media messaging and includes, among other features a hands-free speakerphone and push-to-talk “walkie-talkie” capabilities. (Additional charges apply to some of these features and functionalities.) The handset is equipped with a Global Positioning Satellite (“GPS”) chipset and is capable of providing the locations of the end user where satellite signals are available. Sprint Nextel is capable of providing Enhanced 911 (“E911”) service (which provides local public

6/ If customers use their entire prepaid credit on “Direct Connect” service, they would be able to use an unlimited number of push-to-talk “walkie-talkie” minutes for 40 days (40 days x \$1.50 per day = \$60.00).

safety officials with the location and call back number of the end user) where requested by local public safety authorities ready to receive the information and where such services are supported by the local exchange carrier. E911 service has not been requested by all public safety officials and is not available in all areas. The accuracy of location information can vary based upon weather, geography and other factors.

3. Sprint Nextel's Licensed Service Area. Sprint Nextel has commercial mobile radio service licenses covering the entire continental United States. *Katrina Order*, ¶ 21.

4. Limitations And Conditions Associated With The Service Offering. The principal limitation on the plan is that it will be available only on a one-per-household basis to consumers who are qualified for supported services pursuant to the *Katrina Order*, ¶ 17. Specifically, qualified consumers are those who: (1) reside or previously resided in an area that the President declared a disaster area as a result of Hurricane Katrina; (2) have been approved, or determined by FEMA to be eligible, for FEMA disaster housing assistance, without repayment obligations, and can provide documentary evidence to that effect; and (3) are claiming one supported wireless line per household under the Katrina Lifeline Program and have not applied for this support from any other carrier. The form that Sprint Nextel will use to confirm eligibility is included as Attachment B to this Application. While supplies last, Sprint Nextel will offer Katrina Lifeline handsets in markets where we are able to provide Katrina Lifeline service, including such handsets. There are expected to be some areas of the country where Sprint Nextel's ability to offer its Katrina Lifeline handsets/service to new or existing iDEN subscribers is limited by contractual obligations, such as in geographic areas where Sprint Nextel has agreed with other parties (for example, Nextel Partners, Inc.) that they will provide Nextel-branded iDEN service in such areas. In such circumstances, Sprint Nextel will attempt to instruct

customers on how to obtain Katrina Lifeline support from affiliated providers that are participating in the program.

Sprint Nextel and other wireless carriers have a limited ability to obtain private information about consumers. Apart from requesting consumer certification, Sprint Nextel has no independent ability to verify that consumers qualify, or that they are not claiming support for multiple wireless lines per household. And no industry-wide system is in place to verify representations made. The Commission's efforts in the *Katrina Order* to protect the program from fraud, waste, and abuse specifically place the burden of certifying consumers' eligibility for the supported services under the program on the consumers themselves. Carriers like Sprint Nextel can collect and retain these certifications, but have no ability to go beyond the certification process attached hereto to assure that consumers are not engaged in fraud. 7/

In a recent decision in the analogous E-Rate context, the Commission concluded that "recovery actions should be directed to the party or parties that committed the rule or statutory violation in question . . ." and that "recovering disbursed funds from the party or parties that violated the statute or a Commission rule will further our goals of minimizing waste, fraud and abuse." 8/. Consistent with the FCC's conclusion in this regard, Sprint Nextel's

7/ Sprint Nextel will retain these certifications and all other information necessary to facilitate audits. *Katrina Order* ¶ 23.

8/ "[R]ecovery actions should be directed to the party or parties that committed the rule or statutory violation in question. We do so recognizing that in many instances, this will likely be the [beneficiary], rather than the service provider. * * * We now recognize that the beneficiary in many situations is the party in the best position to ensure compliance with the statute and our . . . support mechanism rules. * * * [I]n many situations, the service provider simply is not in a position to ensure that all applicable statutory and regulatory requirements have been met. Indeed, in many instances, a service provider may well be totally unaware of any violation. In such cases, we are now convinced that it is both unrealistic and inequitable to seek recovery solely from the service provider. We conclude that recovering disbursed funds from the party or parties that violated the statute or a Commission rule will further our goals of minimizing waste, fraud and abuse . . ." *Federal-State Joint Board on Universal Service, Order on*

application for ETC designation under the Katrina Lifeline USF Support Program is contingent upon the understanding that the company will not be liable for recoupment of disbursed funds or subject to any other form of liability in the event that beneficiaries – *i.e.*, Lifeline consumers – provide false information or otherwise commit fraud, waste, or abuse in a manner that is beyond Sprint Nextel’s control. In this regard, Sprint Nextel reserves the right to discontinue the offering if it becomes aware of a significant pattern of fraud or abuse of the program and determines that best efforts to prevent fraud and abuse are not working adequately to protect the integrity of the program.

5. Advertising Plan. Sprint Nextel plans to advertise its Katrina Lifeline program by placing notices about its Katrina offer and the application process on the Sprint Nextel website. In addition, Sprint Nextel will distribute materials (*e.g.*, “table tents”) describing the program and the application process at all company owned retail stores. After FCC approval, Sprint Nextel will alert the media in areas affected by Hurricane Katrina and adjacent markets about program details and limitations.

6. Implementation and Launch of Katrina Offer. Upon FCC approval of Sprint Nextel’s Katrina offer, the Company will need approximately 10 days to implement the program. Sprint Nextel plans to utilize a centralized distribution process that new and existing customers will be able to reach through a toll-free number. After calling the number, subscribers and potential subscribers will be directed to a customer care specialist who will explain program eligibility, verification and documentation requirements.

Customers will be provided with the attached certification form (Attachment B) and instructed to provide the information specified. Upon receipt of appropriate documentation,

Reconsideration and Fourth Report and Order, 19 FCC Rcd 15252, ¶¶ 10-13 (2004) (“*E-Rate Reconsideration Order*”).

Sprint Nextel will send the free phone or calling cards to the customer or add additional minutes to a designated account as described above.

* * * * *

Sprint Nextel satisfies the requirements for ETC designation pursuant to the *Katrina Order*. Accordingly, Sprint Nextel submits that this Application should be granted expeditiously, as contemplated in that *Order*.

Respectfully submitted,

Sprint Nextel Corporation



Luisa L. Lancetti
Vice President
Government Affairs – Wireless Regulatory

Roger C. Sherman
Director
Government Affairs – Wireless Regulatory

Sprint Nextel Corporation
401 9th St., N.W.
Washington, D.C. 20004

November 29, 2005

ATTACHMENT A

CERTIFICATION

Pursuant to 47 C.F.R. § 1.16 and the Commission's order regarding the Hurricane Katrina Lifeline Program, *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, FCC 05-178 (rel. Oct. 14, 2005) ("*Katrina Order*" or "*Order*"), Luisa L. Lancetti declares:

1. My name is Luisa L. Lancetti and I serve as Vice President, Government Affairs - Wireless Regulatory for Sprint Nextel Corporation ("*Sprint Nextel*"). My business address is 401 9th St., N.W., Washington, D.C. 20004. I am an authorized representative of Sprint Nextel with regard to the foregoing Application of Sprint Nextel Corporation For Designation as an Eligible Telecommunications Carrier Pursuant to the Commission's Lifeline Program for Consumers Affected by Hurricane Katrina ("*Application*").

2. I have read the foregoing Application and all information therein is true and correct to the best of my knowledge, information and belief.

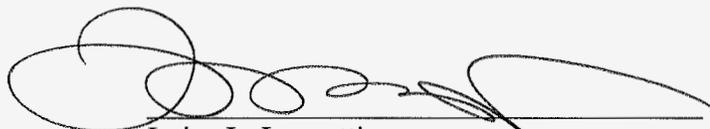
3. Pursuant to the *Katrina Order*, ¶ 21, Sprint Nextel certifies that it intends to: (1) offer Lifeline services to qualifying subscribers consistent with the *Order* and in the manner described in the foregoing Application, and (2) advertise the availability of such services consistent with the *Order* and in the manner described in the foregoing Application.

4. Pursuant to 47 U.S.C. § 254(e) and 47 C.F.R. § 54.7, Sprint Nextel certifies that all universal service support received pursuant to the *Katrina Order* will be used only for the provision, maintenance, and upgrading of services and facilities for which the support is intended.

5. Pursuant to the *Katrina Order*, ¶ 56, and for purposes of the high-cost universal service support program, Sprint Nextel certifies that: (1) it is serving in the area affected by Hurricane Katrina, and (2) it incurred substantial damage as a result of Hurricane Katrina.

6. Pursuant to 21 U.S.C. § 862 and 47 C.F.R. § 1.2002, to the best of my knowledge, Sprint Nextel, including all officers, directors, or persons holding 5% or more of the outstanding stock or shares (voting and/or non-voting), is not subject to a denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862,

Executed on November 29, 2005.



Luisa L. Lancetti
Vice President
Government Affairs - Wireless Regulatory
Sprint Nextel Corporation

ATTACHMENT B



Certification of Eligibility to Participate in Sprint's Katrina Lifeline Program

Date: _____
Full Legal Name: _____
Current Mailing Address: _____
Previous Mailing Address: _____
Current Telephone No: _____

I hereby certify under penalty of perjury that each of the following statements is true:

- On August 29, 2005, I was a resident of _____ County/Parish in Alabama, Louisiana or Mississippi that has been designated by the Federal Emergency Management Agency ("FEMA") as eligible for individual disaster assistance related to Hurricane Katrina
- I have been designated by FEMA as eligible for disaster housing assistance and I have no obligation to repay any cash grant I will receive or have already received from FEMA for disaster housing assistance.
- I am the head of my household (defined as "one adult and his or her dependents, living together in the same residence"). I understand that, as the head of my household, I am the only member of my household who is eligible to receive Katrina Lifeline assistance .
- Only one Katrina Lifeline support benefit has been claimed by my household. I have not applied for this support from any other telecommunications provider, and understand that I cannot apply for additional support from other carriers.
- I understand that if I intentionally make false statements and conceal any information in an attempt to obtain disaster aid or Katrina Lifeline Support, it is a violation of federal and state laws which carry severe criminal and civil penalties, including fines and imprisonment or both.
- I consent to the release of this completed Certification form, including attached personal information, in connection with Sprint's administration of its Katrina Lifeline Program and authorize Sprint to verify all information provided.
- The following documentation is required to participate in the program and is attached:
 1. A copy of my letter or other documentation from FEMA's Individuals and Households Program showing that I have been approved for disaster housing assistance.
 2. A copy of my valid driver's license, U.S. Passport or other government-issued identification that includes a photograph.

I hereby certify under penalty of perjury that all information provided regarding my application for Sprint Katrina Lifeline assistance is true and correct.

Signature

List of counties designated by FEMA as eligible for individual disaster assistance.

Alabama – Baldwin, Greene, Hale, Marengo, Mobile, Pickens, Tuscaloosa, and Washington.

Louisiana – Acadia, Ascension, Assumption, Calcasieu, Cameron, East Baton Rouge, East Feliciana, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, Lincoln, Livingston, Orleans, Pointe Coupee, Plaquemines, St. Bernard, St. Charles, St. Helena, St. James, St. John, St. Mary, St. Martin, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Washington, West Baton Rouge, and West Feliciana.

Mississippi – Adams, Amite, Attala, Bolivar, Claiborne, Choctaw, Clarke, Copiah, Covington, Forrest, Franklin, George, Greene, Hancock, Harrison, Hinds, Holmes, Humphreys, Jackson, Jasper, Jefferson, Jefferson Davis, Jones, Kemper, Lafayette, Lamar, Lauderdale, Lawrence, Leake, Lincoln, Lowndes, Madison, Marion, Neshoba, Newton, Noxubee, Oktibbeha, Pearl River, Perry, Pike, Quitman, Rankin, Scott, Simpson, Smith, Stone, Tippah, Walthall, Warren, Wayne, Wilkinson, Winston, and Yazoo.